

SUCCESS STORY

WEST VIRGINIA DISTRICT OFFICE

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SBA Helps Small Business Put Juveniles on the Right Track

HUNTINGTON – Edward “Beau” Necco is making a significant difference in the lives of hundreds of children in Kentucky and Ohio, and soon, in West Virginia. And it all began with a U.S. Small Business Administration loan packaged by the Marshall University Small Business Development Center.

Beau with longtime friend and business partner, Stephen Mullins, operate Necco, a therapeutic foster care company that provides alternatives to detention services for children who are troubled.

It’s not as though Beau jumped into the business cold. His parents have been involved in the treatment of children for several years. His father, Dr. Edward Necco, began working with mentally and emotionally disturbed youth thirty-eight years ago and served as the coordinator of the Behavioral Disorders Program at Marshall University from 1972 until his recent retirement. His mother, Dorothy Necco, was a schoolteacher and actually helped write the model upon which Beau patterns his business philosophy.

Child development runs in the family. In addition to his parents, his wife, Deidra, and sister, Wendy is also deeply involved in Necco.

“We’ve been around kids our whole lives, it’s what we know and do,” said Beau. “We couldn’t be doing what we now do for kids without the help the SBA and the SBDC provided us in getting started.”

“Beau contacted me right after I took the job at the Marshall SBDC about putting together a loan package,” said Edna McClain, program director at the Marshall SBDC. “We put together a SBA loan package that got him rolling.”

With headquarters in South Point, Ohio and six offices in Kentucky, Beau has seen his company grow from two employees in 1997 to over 100 full time employees and 200 contractors today. Necco specializes in providing therapeutic foster care services, electronic monitoring and independent living opportunities for children up to age 21. The average age of their clients is 16-21.

“Every kid needs a family,” said Beau. “We try to provide a family or try to work with families with troubled youths in order to keep them out of the court system.”

“We ease kids back into the community,” Beau adds. “If you keep them out of detention centers, provide them positive recognition and re-enforcement of good values, and build on that, you’ll create a successful and productive citizen.”

Necco has an outstanding track record in Kentucky. The incarceration rate in Kentucky for youthful offenders is less than three percent and less than one percent of kids under their program get in trouble.

Being involved with a family and responding to daily rituals and routines, children are re-educated on how to act appropriately. Children who are in detention centers often return to their old habits or pick up some new ones.

The work they do not only helps reform and re-educate the children, but it also saves the state and community thousands of dollars.

“It generally costs the state about \$120 a day to keep an offender in a detention center,” said Beau. “Through the therapeutic foster care system, when all is said and done, costs run around \$16 a day.”

Necco has used the SBA guaranty 7(a) loan program on three occasions. They went to the SBDC for help in putting the packages together each time.

“Edna McClain really helped us out by providing tremendous support and guidance for our company,” said Beau.

“They finally got to the point where they were over the small business size standards and we couldn’t help them any longer,” adds McClain. “I finally got to the point where I could quit worrying about them. They’re good, hard working people who made it. I’m really proud of what they accomplished in a relatively short period of time.”

For more information on the programs and services offered by the SBA, SBDC or SCORE, contact the West Virginia District Office at 304-623-5631 or via email at wvinfo@sba.gov, or visit their web site at www.sba.gov.

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